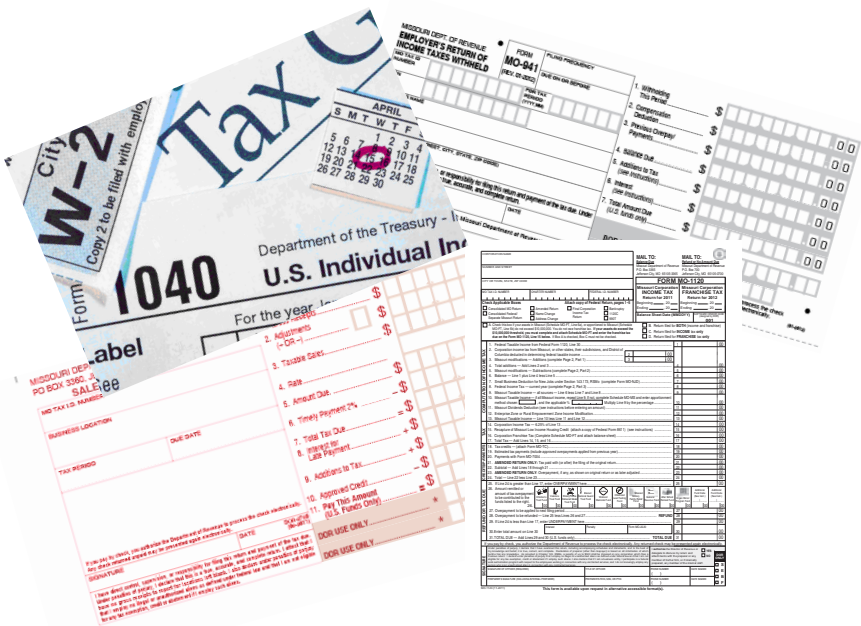


# 2011 Missouri Income Tax Reference Guide



*Have a question about taxes?  
Look inside for the answers. . .*



# 2011 Missouri Income Tax Reference Guide



## Missouri Department of Revenue

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### Tax Assistance Centers Area Offices

Public hours Monday through Friday at the offices listed below are:  
8:00 a.m. to 5:00 p.m.

#### **CAPE GIRARDEAU**

3102 Blattner Dr.  
Suite 102  
(573) 290-5850  
FAX (573) 290-5842

#### **JEFFERSON CITY**

301 W. High St.  
Room 330  
(573) 751-7191  
FAX (573) 522-1719

#### **JOPLIN**

1110 East 7th St.  
Suite 400  
(417) 629-3070  
FAX (417) 629-3076

#### **KANSAS CITY**

615 East 13th St.  
Room B-2  
(816) 889-2944  
FAX (816) 889-2876

#### **SPRINGFIELD**

149 Park Central Sq.  
Room 313  
(417) 895-6474  
FAX (417) 895-6233

#### **ST. JOSEPH**

525 Jules, Suite 300  
Room 314  
(816) 387-2230  
FAX (816) 387-2008

#### **ST. LOUIS**

3256 Laclede Station Rd.  
Suite 101  
(314) 877-0177  
FAX (314) 877-0198

#### **OTHER IMPORTANT NUMBERS**

Ombudsman (573) 526-3872  
IVR Refund/1099G/Balance Due Inquiry  
(573) 526-8299  
Electronic Filing Information (573) 751-3930  
General Inquiry Line (573) 751-3505  
Internet Address: [www.dor.mo.gov](http://www.dor.mo.gov)



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# MINIMUM FILING REQUIREMENTS

The following information is to be used as a quick reference for determining the minimum income level that, when reached, would require a taxpayer to file both Federal and Missouri Income Tax returns. The difference between federal and state requirement is the personal exemption amount. Section 143.481, RSMo, states the filing requirements of a Missouri resident and nonresident, which includes in it the requirement to file a federal income tax return.

<b><u>Marital Status</u></b>	<b><u>Federal AGI</u></b>	<b><u>Missouri AGI</u></b>
Single	\$ 9,500	\$ 7,900
Single (Over 65)	10,950	9,350
Married Filing Jointly	19,000	15,800
Married Filing Jointly (1 over 65)	20,150	16,950
Married Filing Jointly (Both over 65)	21,300	18,100
Head of Household	12,200	12,000
Head of Household (over 65)	13,650	13,450
Married Filing Separate	3,700	2,100

## **Filing Requirements**

You do not have to file a Missouri return if you are not required to file a federal return.

If you are required to file a federal return, you may not have to file a Missouri return if you:

- are a resident and have less than \$1,200 of Missouri adjusted gross income;
- are a nonresident with less than \$600 of Missouri income; or
- your Missouri adjusted gross income is less than the amount of your standard deduction plus the exemption amount for your filing status.

**Note:** If you are not required to file a Missouri return, but you received a Form W-2 stating you had Missouri tax withheld, you must file your Missouri return to get a refund of your Missouri withholding. If you are not required to file a Missouri return and you do not anticipate an increase in income, you may change your Form MO W-4 to “exempt” so your employer will not withhold Missouri tax.

**ATTENTION:** If a taxpayer is claimed as a dependent on another person’s return, the standard deduction is the greater of \$950 or the earned income for the year plus \$350 up to the standard deduction amount.

# SELECTING THE CORRECT RETURN

- I. **Form MO-1040** (long form) must be used if:
- Miscellaneous tax credits (taken on Form MO-TC) are claimed;
  - Form MO-NRI or Form MO-CR is used;
  - Any Missouri modifications claimed other than a state income tax refund subtraction;
  - You owe a penalty for underpayment of estimated tax;
  - You are filing an amended return;
  - You owe recapture tax on low income housing credit;
  - You owe tax on a lump sum distribution included on Federal Form 1040, Line 44;
  - You are a member of a nonresident professional athletic team or a professional entertainer;
  - Payment is made with Form MO-60;
  - You are claiming a deduction for dependents age 65 or older;
  - You are a fiscal year filer.

- II. **Form MO-PTC\*** must be used if: You are **not filing** an individual income tax return (Form MO-1040 or MO-1040P) and you qualify for a property tax credit;

\*Form MO-PTC should be filed **ONLY** if not filing a federal or a state individual income tax return; otherwise, use Form MO-PTS with Form MO-1040 or MO-1040P.

\*If you have a negative income, you cannot use this form.

**Exception:** If your filing status on **Form MO-1040** is married filing combined, but you and your spouse lived at different addresses the entire year, you may file a separate **Form MO-PTC**. (Example: One spouse lives in a nursing home or residential care facility while the other spouse remains in the home the entire year.) If filing a separate **Form MO-PTC**, you cannot take the \$2,000 deduction on Line 7 and you cannot calculate your Property Tax Credit on the Form MO-PTS.



# MISSOURI ADJUSTED GROSS INCOME

The starting income on the Missouri tax return is the federal adjusted gross income from Federal Form 1040, Line 37; or from Federal Form 1040A, Line 21; or from Federal Form 1040EZ, Line 4.

To compute Missouri adjusted gross income, any positive and/or negative modifications to federal adjusted gross income must be computed first on Form MO-A, Part 1. The positive and/or negative modifications are entered on Form MO-1040, Lines 2 and 4 respectively. Examples of negative modifications are exempt federal interest, state tax refund, exempt contributions made to a qualified 529 plan (higher education savings program) and railroad retirement, both Tier 1 and Tier 2. Examples of positive modifications are interest on state and local obligations other than Missouri, nonqualified distributions received from a qualified 529 plan (higher education savings program) not used for qualified higher education expenses, nonresident property tax, and positive adjustments reported from partnerships, fiduciaries, and S corporations of interest in state and local obligations other than Missouri.

**NOTE:** The subtraction for married individuals with contributions made to a qualified 529 plan is no longer limited to \$8,000 **per** taxpayer. The \$16,000 qualified subtraction can be used entirely by the primary individual, secondary individual, or split between both individuals.

The following is a list of states that have no state income tax **or** do not allow property taxes to be deducted. Property taxes paid to these states will need to be added back on the MO-A, Part 1, Line 4.

- Alaska
- Florida
- Hawaii
- Illinois
- Indiana
- Massachusetts
- New Hampshire
- New Jersey
- Ohio
- Pennsylvania
- South Dakota
- Tennessee
- Texas
- Washington
- West Virginia
- Wisconsin
- Wyoming





# PENSIONS

Missouri law allows for a deduction for public pensions, private pensions, social security/social security disability payments and military pensions on the 2011 Missouri income tax return if certain income limitations are met.

## **PUBLIC PENSIONS**

Public pensions are pensions received from any federal, state, or local government. If you have questions about whether your pension is a public pension, contact your pension administrator.

### ***The income limitations are as follows:***

Single, Head of Household, Married Filing Separate, and Qualifying Widow(er) .....	\$85,000
Married Filing Combined .....	\$100,000

The public pension exemption will be phased in over 6 years. In 2011 taxpayers will be able to take the greater of either \$6,000 or 80 percent of the public pension amount, whichever is more beneficial. The total public pension exemption is limited to the maximum social security benefit allowed. In the 2011 tax year this amount is \$34,141 per taxpayer.

## **PRIVATE PENSION**

Private pensions are pensions received from private sources. If you have questions about whether your pension is a private pension, contact your pension administrator.

### ***The income limitations are as follows:***

Single, Head of Household, Qualifying Widow(er) .....	\$25,000
Married Filing Combined .....	\$32,000
Married Filing Separate .....	\$16,000

The total maximum private pension exemption per taxpayer is \$6,000.

**NOTE:** The taxable portion of social security benefits is not used for the purpose of determining income limitations for the public and private pensions. Railroad retirement doesn't qualify as a public pension unless you are 100% disabled.

If a taxpayer's income exceeds the limitations for receiving the allowable public/private pension exemption, the taxpayer may still qualify for a partial pension exemption. The pension exemption must be decreased by the amount the taxpayer's income exceeds the income limitations. The public/private pension exemption is reduced by one dollar for every dollar that the taxpayer's income exceeds the limitation.

## **SOCIAL SECURITY/SOCIAL SECURITY DISABILITY EXEMPTION 80%**

Individuals may take an exemption for social security and disability social security benefits. The maximum exemption percentage will be phased in over 6 years, the 2011 exemption amount is 80% of the taxable amount. To qualify the taxpayer must be 62 years of age or older or receiving Social Security Disability benefits. If the taxpayer is qualifying based on being over 62, the “over the age of 62” box will need to be checked or the exemption will be disallowed.

### ***The income limitations are as follows:***

Single, Head of Household, Married Filing Separate, and Qualifying Widow(er) .....	\$85,000
Married Filing Combined .....	\$100,000

If a taxpayer’s income exceeds the limitations for receiving the allowable social security/social security disability exemption the taxpayer may still qualify for a partial exemption. The social security/social security disability exemption must be decreased by the amount the taxpayer’s income exceeds the income limitation. The exemption is reduced by one dollar for every dollar that the taxpayer’s income exceeds the limitation.

## **Military Pension Calculation**

A military pension is a pension received for your service in a branch of the armed services of the United States, including the Missouri Army Reserve and Missouri National Guard. You must reduce your military pension exemption by any portion of your military pension that is included in the calculation of your public pension exemption. Therefore, if you qualify for the public pension, make sure you have completed the Public Pension Calculation (Section A) before you calculate your military pension exemption.

\*The maximum military exemption you may claim in 2011 is equal to 30 percent of your military pension.

Complete Form MO-A, Part 3, enter the total of the public pension, private pension, social security/social security disability exemptions and military pensions on Form MO-1040, line 8.



## PERSONAL EXEMPTION AMOUNTS

The filing status claimed on the Missouri return must be the same as the status claimed on the federal return. However, the dollar amount of personal exemptions is different.

<b><u>STATUS</u></b>	<b><u>AMOUNT</u></b>
Single	\$2,100
Married Filing Combined	4,200
Married Filing Separate	2,100
Married Filing Separate (spouse not filing)	4,200
Head of Household	3,500
Qualifying Widow(er) (with dependent child)	3,500
Claimed as Dependent on another return	0
Each Dependent claimed on the federal return other than yourself or your spouse	1,200
Each Dependent who is 65 years of age and older who resides in the taxpayer's home or who lives in dependent's home who does not receive Medicaid while living in a facility licensed pursuant to Chapter 198, RSMo.	\$1,000

**NOTE:** The 2011 Federal personal exemption is \$3,700.



# STANDARD DEDUCTION TABLE

The following table should be used to determine the standard deduction to be used on the federal and Missouri tax returns.

Step 1: Determine the correct number of boxes to check.

Yourself	65 or older	<input type="checkbox"/>		Blind	<input type="checkbox"/>
Your spouse	65 or older	<input type="checkbox"/>		Blind	<input type="checkbox"/>
Total Boxes Checked _____					

<u>Filing Status</u>	<u>Boxes Checked</u>	<u>Standard Deduction</u>
Single	0	\$5,800
	1	7,250
	2	8,700
Married Filing Jointly (Combined)	0	\$11,600
	1	12,750
	2	13,900
	3	15,050
	4	16,200
Married Filing Separate also	0	\$5,800
Married Filing Separate	1	6,950
(Spouse not filing)	2	8,100
65+ and Blind, Married Filing Separate (Spouse not filing)	3	\$9,250
65+ and Blind, Married Filing Separate (Spouse not filing)	4	\$10,400
Head of Household	0	\$8,500
	1	9,950
	2	10,800
Qualifying Widow(er)	0	\$11,600
	1	12,750
	2	13,900
Single — Claimed as a dependent on another person's return	0	\$950*
Married & Surviving Spouse	Additional	\$1,150
Heads of Household and Singles	Additional	\$1,450

**\*NOTE: Standard deduction may not exceed the greater of \$950 or the sum of \$300 and the individual's earned income, up to the applicable standard deduction amount (\$5,800 for single taxpayers).**

# ITEMIZED DEDUCTIONS / OTHER DEDUCTIONS

## ITEMIZED DEDUCTIONS 2011

### MISSOURI ITEMIZED DEDUCTIONS

Missouri law requires a taxpayer to start with the federal itemized deductions reported on Schedule A of his/her federal return. If you itemize deductions on your federal return, you may itemize your deductions for Missouri or take the standard deduction, whichever is to your advantage. If the taxpayer does not itemize his/her deductions on the federal return, he/she will not be allowed to itemize on the Missouri return. If the taxpayer is required to itemize on the federal return, he/she must itemize on the Missouri return.

### ADDITIONS TO FEDERAL ITEMIZED DEDUCTIONS

Social Security Tax and Medicare Tax

Railroad Retirement Tax (Tier I and Tier II)

Self-employment Tax claimed on Federal Form 1040, Line 27.

### SUBTRACTIONS FROM FEDERAL ITEMIZED DEDUCTIONS

The amount of state and local income tax claimed on the Federal Schedule A, less any city earnings tax included in that amount.

## OTHER DEDUCTIONS

### LONG-TERM CARE INSURANCE DEDUCTION

If you paid premiums for qualified long-term care insurance in 2011, you may be eligible for a deduction on your Missouri income tax return. Qualified long-term care insurance is defined as: insurance coverage for period of at least 12 months for long-term care expenses should such care become necessary because of chronic health conditions and/or physical disabilities including cognitive impairment or the loss of functional capacity, thus rendering an individual unable to care for themselves without the help of another person.

### HEALTH CARE SHARING MINISTRIES

If you made contributions to a qualifying health care sharing ministry in 2011, you may be eligible for a deduction on your Missouri income tax return. A health care sharing ministry is defined as a faith-based, nonprofit organization that assists members who have financial, physical, or medical needs. To qualify, the taxpayer must be a member of a health care sharing ministry and not have deducted the same amounts on the federal return.

### SMALL BUSINESS DEDUCTIONS

For all taxable years beginning on or after January 1, 2011 and ending on or before December 31, 2014, if a small business creates new jobs, it may qualify to claim a deduction in the taxable year each new employee completes at least 52 weeks of full-time employment. The deduction is equal to \$10,000 for each new job created or \$20,000 for each new job created by a small business that paid at least 50 percent of all employees' health insurance premiums. Form MO-NJD must be completed with the MO-1040 form.

# RESIDENT AND NONRESIDENT INFORMATION

## FORM MO-NRI

Form MO-NRI is a supplement to the Form MO-1040 and may be used by a nonresident, part-year resident, or military personnel. (It may be filed by itself under the condition noted in bold print below.) Form MO-NRI allows a nonresident, part-year resident, or military personnel to allocate income on the basis of income earned in Missouri divided by income from all sources. This results in a percentage to be used to calculate the Missouri income tax liability. Form MO-NRI includes information for military personnel. Military personnel who are required to file, will need to file a Form MO-NRI with Form MO-1040. **Military personnel who are stationed in Missouri, but not required to file a return, can inform the Department of Revenue electronically that a Missouri income tax return is not required for a particular tax year. This form will apply to tax years 2007 and forward. The online application will be located on the Department's web site at: <http://dor.mo.gov>. If informing the Department electronically is not possible, complete a MO-NRI and sign the back. The Department of Revenue will record the information from the completed MO-NRI.**

## FORM MO-CR

Form MO-CR is a supplement to the Form MO-1040 and may be used by a resident of Missouri who has income from another state and is required to file a return in that state. Form MO-CR allows a credit for income taxes paid to the other state against the Missouri income tax liability.

**NOTE:** A part-year resident may use Form MO-CR if the part-year resident elects to file a Missouri return as a resident. At NO time will the same taxpayer be allowed to use both Form MO-NRI and Form MO-CR. However, if filing a combined return, it is possible that one spouse could use a Form MO-NRI and the other, Form MO-CR.

**EXAMPLE:** Taxpayer moves to Missouri during the year and marries a Missouri resident. The Missouri resident has income from another state. The part-year resident elects to file using Form MO-NRI, but the Missouri resident must use Form MO-CR as he/she was a full-year resident of Missouri.

Access **[www.dor.mo.gov](http://www.dor.mo.gov)** for more information and examples.

\*All income earned while living in Missouri is taxable to Missouri. A part year resident cannot claim a zero income percentage.

# MILITARY INFORMATION

## MILITARY — GENERAL INFORMATION

The tax status of military personnel under the Missouri Income Tax Law and the Servicemembers Civil Relief Act is determined by home of record. It is mandatory for Military Finance Centers to withhold state tax from a Missouri resident unless he/she qualifies to use the Form MO-NRI. Questions should be directed to Customer Assistance.



## MILITARY — HOME OF RECORD — NOT MISSOURI

If the military servicemember's home of record is a state other than Missouri, his/her domicile is in the other state. If the military servicemember is stationed in Missouri, then he/she is not subject to Missouri income tax on his/her military pay nor on any interest or dividend income received from personal investments. Even if the military servicemember is not required to pay Missouri tax, he/she should file a Form MO-NRI, Missouri Income Percentage, to verify the military service member is not subject to Missouri income tax.

The servicemembers Civil Relief Act, H.R.100, prohibits states from including the military income of a **nonresident** servicemember when determining the individual income tax rate for either the servicemember (or the servicemember's spouse on a combined return).

If a nonresident military servicemember or his/her spouse earns \$600 or more of non-military income while in Missouri, that portion of income is taxable by Missouri and a Form MO-1040, Missouri Individual Income Tax Return must be filed. To ensure nonresident military servicemembers receive the benefit of the new law, the military income received by nonresident military servicemembers may be subtracted from their federal adjusted gross income. Check the appropriate box and enter the nonresident military income on Form MO-A, Part 1, Line 9.

## MILITARY — HOME OF RECORD — MISSOURI

If the military servicemember's home of record is Missouri, his/her domicile is Missouri. In this case, the person is considered Missouri domiciled and is subject to Missouri income taxes on all income from whatever source including his/her military pay.

The only exception is if the Missouri domiciled individual files a sworn statement (Form MO-NRI) that he/she:

- (a) maintained no permanent place of abode in Missouri during the tax year;
- (b) did maintain a permanent place of abode elsewhere; and
- (c) did not spend more than 30 days of the year, for which they are filing, in Missouri;

then the Missouri domiciled individual is considered a "nonresident" for tax purposes. With a "nonresident" tax status the individual does not pay Missouri income tax on his or her military pay or on interest and dividend income from personal investments.

All Missouri domiciled military personnel who wish to claim a “nonresident” status should file an income tax return (Form MO-1040) each year and enclose with that return Form MO-NRI, Missouri Income Percentage.

**Note:** If the military person is stationed in Missouri with a Missouri home of record, all income including military pay is taxable. If the military person and their spouse are Missouri residents and the spouse remains in Missouri while the military person is stationed outside of Missouri, the total income (including military pay) is taxable to Missouri.

#### **MILITARY SPOUSES RESIDENCY RELIEF ACT:**

Spouse of Service member stationed in Missouri: If you are a spouse of a service member and are only in this state because of military orders, your income is not taxable. Complete form MO-A, Part 1, Line 9.

If the Missouri domiciled military person enters or leaves the armed forces during the year and resides in Missouri prior to entering the military or after leaving the military, the military person’s total income (including military pay) is taxable to Missouri. If the military servicemember’s home of record is Missouri, his/her domicile is Missouri. In this case, the person is considered Missouri domiciled and is subject to Missouri income taxes on all income from whatever source including his/her military pay.

The only exception is if the Missouri domiciled individual files a sworn statement (Form MO-NRI) that he/she:

- (a) maintained no permanent place of abode in Missouri during the tax year;
- (b) did maintain a permanent place of abode elsewhere; and
- (c) did not spend more than 30 days of the year, for which they are filing, in Missouri;

then the Missouri domiciled individual is considered a “nonresident” for tax purposes. With a “nonresident” tax status the individual does not pay Missouri income tax on his or her military pay or on interest and dividend income from personal investments.

All Missouri domiciled military personnel who wish to claim a “nonresident” status should file an income tax return (Form MO-1040) each year and enclose with that return Form MO-NRI, Missouri Income Percentage.

#### **DOMICILE — DEFINED**

“Domicile” is the place which an individual intends to be his/her permanent home; a place to which he/she intends to return to whenever he/she may be absent. A domicile, once established, continues until the individual moves to a new location with true intentions of making his/her fixed and permanent home there. An individual can have only one domicile.

Access [www.dor.mo.gov](http://www.dor.mo.gov) for more information and examples.

#### **MILITARY ONLINE FORM**

- Military individuals who are not required to file a Missouri return can use the Missouri Department of Revenue’s No Return Required - Military Online Form at: <https://sa.dor.mo.gov/nri/>.
- This form should be submitted to the Department by the return’s due date (April 15, following the close of the taxable year).
- This form can be obtained by visiting our web site at: <http://dor.mo.gov>.



# ESTIMATED TAXES

Under Missouri law, a taxpayer must file Form MO-1040ES, Estimated Tax Declaration for Individuals, if their tax liability is expected to be \$100 or more and Missouri tax is not withheld.

The Estimated Tax Form (Form MO-1040ES) must be filed on the following due dates:

1st Quarter — April 17, 2012    2nd Quarter — June 15, 2012

3rd Quarter — September 17, 2012    4th Quarter — January 15, 2013

**NOTE:** If the due date falls on a Saturday, Sunday, or legal holiday, the next business day is the due date.

Failure to pay 90 percent of the tax liability by withholding or estimated tax payments could result in a penalty for underpayment of estimated tax (Form MO-2210).

**The Department offers these alternative filing methods:**

TAX TYPE	FILING FREQUENCY	PAYMENT TYPE	RETURN
<b>WITHHOLDING</b>	Quarterly Monthly	TXP or Online	With electronic payment or zero return - E-file or coupon
	Annual	Paper Check	Coupon
	Quarter-Monthly	TXP	E-file, download paper coupon, or soon to be released online reconciliation
		Online	E-file, download paper coupon or online reconciliation can be done if all payments were submitted online
<b>CORPORATE INCOME/FRANCHISE TAX</b>	MO-1120 or MO-1120ES	TXP Online or Paper Check	Mail paper return or Federal/ State E-file
<b>SALES/USE</b>	Quarterly Monthly Annual	TXP Online or Paper Check	Mail paper return or E-file zero return
	Quarter-Monthly	TXP or Online	Mail paper return or E-file return
<b>INDIVIDUAL INCOME</b>	MO-1040 or MO-1040ES	Paper Check or Online	Mail paper return or Federal/ State E-file

**NOTE:** An alternative payment method must be used for quarter-monthly sales/withholding tax payments. Paper vouchers are not offered.

To learn more about alternative filing methods, access the Department’s web site at [www.dor.mo.gov](http://www.dor.mo.gov), contact the Department at (573) 751-8150, or e-mail [elecfile@dor.mo.gov](mailto:elecfile@dor.mo.gov).

The Department also encourages electronic/internet filing options for individual income tax. The Department received more than 2,100,000 electronically filed returns for the 2010 tax year. Electronically filed returns offer many benefits to the taxpayer including receipt acknowledgment, faster refunds, accuracy, and convenience.

# MISSOURI TAXABLE STATUS OF VARIOUS INCOME ITEMS

	<u>EXEMPT</u>	<u>NOT EXEMPT</u>
American Samoa	X	
Bank for Co-operatives	X	
CATS, ZEBRAS, TIGRS	X	
Commodity Credit Corporation	X	
Education Institution Bonds	X	
Export-Import Bank of U.S.		X
Farmers Home Administration		X
Federal Deposit Insurance Corporation (FDIC)	X	
Federal Farm Credit Banks	X	
Federal Farm Loan Corporation	X	
Federal Financing Bank (FFB) Obligations	X	
Federal Home Loan Banks (FHLB)	X	
Federal Home Loan Mortgage Cor.		X
Federal Housing Administration (FHA) Debentures	X	
Federal Intermediate Credit Banks	X	
Federal Land Banks	X	
Federal National Mortgage Association		X
Financial Corporation Bonds (FICO)	X	
Financing Corporation Obligations	X	
General Insurance Fund	X	
General Services Administration (GSA)	X	
Government National Mortgage Assoc.		X
Guam	X	
I Bonds	X	
Junior College Building Corporation Bonds	X	
Missouri Higher Education Loan Authority (MOHELA) Bond	X	
National Credit Union Central Liquidity Facility	X	
National Farm Loan Association	X	
New Communities Debentures		X
Northern Mariana Covenant	X	
Northern Mariana	X	
Public Housing Notes and Bonds	X	
Public Debt	X	
Puerto Rican Bonds	X	
Repurchase Agreements		X
Resolution Funding Corporation Bonds	X	
Small Business Administration (SBA)	X	
Student Loan Marketing Association (Sallie Mae)	X	
Tennessee Valley Authority (TVA)	X	
U.S. Certificates of Indebtedness	X	
U.S. Freedom Shares	X	
U.S. Individual Retirement Bonds	X	
U.S. Series E&H Bonds	X	
U.S. Treasury Bills, Treasury Bonds, Treasury Notes	X	
United States Postal Service	X	
Virgin Islands	X	
Washington Metropolitan Area Transit Authority		X
Zero Coupon Bonds	X	

# MISCELLANEOUS TAX CREDITS

## MISCELLANEOUS TAX CREDITS

Missouri law allows for certain tax credits. The tax credits are computed by completing Form MO-TC, Miscellaneous Income Tax Credits. Enter the total amount of credits from Form MO-TC, Line 13, on Form MO-1040, Line 37. Form MO-TC must be attached to Form MO-1040. The following is a list of available credits and the agency to contact for information, forms, and approval to claim each credit.

- 1. TAX CREDITS ADMINISTERED BY THE DEPARTMENT OF ECONOMIC DEVELOPMENT** — Contact the Missouri Department of Economic Development, Tax Benefit Programs, P.O. Box 118, Jefferson City, Missouri 65102-0118 or access [www.ded.missouri.gov](http://www.ded.missouri.gov).
  - Bond Enhancement (573) 522-9062
  - Brownfield “Jobs and Investment” Credit (573) 522-8004
  - Community Bank Investment Credit (573) 522-8004
  - Demolition Credit (573) 522-8004
  - Development Tax Credit (573) 526-3285
  - Distressed Area Land Assemblage Tax Credit (573) 522-8006
  - Dry Fire Hydrant Credit (573) 751-3713
  - Enterprise Zone Credit (573) 751-4539
  - Family Development Account Credit (573) 526-5417
  - Film Production Credit (573) 751-9048
  - Historic Preservation Credit (573) 522-8004
  - Missouri Business Modernization and Technology (Seed Capital) Credit (573) 522-2790
  - Missouri Quality Jobs Credit (573) 751-4539
  - Neighborhood Assistance Credit (Including Homeless Assistance Credit) (573) 751-4539
  - New Enhanced Enterprise Zone Credit (573) 751-4539
  - New Enterprise Creation Credit (573) 522-2790
  - New Market (573) 522-8004
  - New or Expanded Business Facility Credit (573) 522-2790
  - Qualified Research Expense Credit (573) 526-0124
  - Rebuilding Communities Credit (573) 526-3285
  - Rebuilding Communities and Neighborhood Preservation Act Credit (573) 522-8004
  - Remediation Credit (573) 522-8004
  - Small Business Guaranty Fees Credit (573) 751-9048
  - Small Business Incubator Credit (573) 526-6708
  - Small Business Investment Credit (573) 522-2790
  - Transportation Development Credit (573) 522-2629
  - Wine and Grape Production Credit (573) 751-9048
  - Youth Opportunities Credit (573) 526-5417

## 2. OTHER MISSOURI TAX CREDITS

- **Affordable Housing Assistance Credit** — contact the Missouri Housing Development Commission, 3435 Broadway, Kansas City, MO 64111 or call (816) 759-6662.
- **Agriculture Product Utilization Contributor Credit** — contact the Missouri Agricultural and Small Business Development Authority, P.O. Box 630, Jefferson City, MO 65102-0630 or call (573) 751-2129.
- **Alternative Refueling Tax Credit** — contact the Department of Natural Resources at (573) 751-2254.
- **Bank Franchise Tax** — contact the Missouri Department of Revenue, P.O. Box 2200, Jefferson City, MO 65105-2200 or call (573) 526-8733.
- **Bank Tax Credit for S Corporation Shareholders** — contact the Missouri Department of Revenue, P.O. Box 2200, Jefferson City, MO 65105, or call (573) 526-8733.
- **Charcoal Producers Credit** — contact the Missouri Division of Energy, P.O. Box 176, Jefferson City, MO 65102-0176 or call (573) 751-4817.
- **Children in Crisis Credit** — contact the Missouri Department of Revenue, P.O. Box 2200, Jefferson City, MO 65105-2200 or call (573) 526-8733.\*
- **Development Reserve Credit** — contact the Missouri Development Finance Board, P.O. Box 567, Jefferson City, MO 65102-0567 or call (573) 751-8479.
- **Disabled Access Credit** — contact the Missouri Department of Revenue, P.O. Box 2200, Jefferson City, MO 65105-2200 or call (573) 526-8733.
- **Export Finance Credit** — contact the Missouri Development Finance Board, P.O. Box 567, Jefferson City, MO 65102-0567 or call (573) 751-8479.
- **Family Farms Credit** — contact the Missouri Agricultural and Small Business Development Authority, P.O. Box 630, Jefferson City, MO 65102-0630 or call (573) 751-2129.\*
- **Food Pantry Tax** — contact the Missouri Department of Revenue, P.O. Box 2200, Jefferson City, MO 65105-2200 or call (573) 526-8733.
- **Health Care Access** — Missouri Department of Health and Senior Services, Primary Care & Rural Health, P.O. Box 570, Jefferson City, MO 65102-0570 or call 573-751-6219.
- **Infrastructure Development Credit** — contact the Missouri Development Finance Board, P.O. Box 567, Jefferson City, MO 65102-0567 or call (573) 751-8479.
- **Maternity Home Credit** — contact the Missouri Department of Social Services, P.O. Box 626, Jefferson City, MO 65103-0626 or call (573) 751-7533.
- **Missouri Business Use Incentives for Large-Scale Development (BUILD) Credit** — contact the Missouri Development Finance Board, P.O. Box 567, Jefferson City, MO 65102-0567 or call (573) 751-8479.
- **Missouri Low Income Housing Credit** — contact the Missouri Housing Development Commission, 3435 Broadway, Kansas City, MO 64111 or call (816) 759-6668.
- **New Generation Cooperative Incentive Credit** — contact the Missouri Agricultural and Small Business Development Authority, P.O. Box 630, Jefferson City, MO 65102-0630 or call (573) 751-2129.
- **Pregnancy Resource Credit** — contact the Missouri Department of Social Services, P.O. Box 863, Jefferson City, MO 65103-0863 or call (573) 751-7533.\*
- **Processed Wood Energy Credit** — contact the Missouri Division of Energy, P.O. Box 176, Jefferson City, MO 65102-0176 or call (573) 751-3443.
- **Public Safety Officer Surviving Spouse Tax Credit** — contact the Missouri Department of Revenue, P.O. Box 2200, Jefferson City, MO 65105-2200 or call (573) 526-8733.
- **Qualified Beef Tax Credit** — contact the Department of Agriculture at (573) 522-2446.
- **Residential Dwelling Accessibility Credit** — contact the Missouri Department of Revenue, P.O. Box 2200, Jefferson City, MO 65105-2200 or call (573) 526-8733.
- **Residential Treatment Credit** — contact the Missouri Department of Social Services, P.O. Box 853, Jefferson City, MO 65103-0853 or call (573) 751-7533.\*
- **Self-Employed Health Insurance** — contact the Missouri Department of Revenue, P.O. Box 2200, Jefferson City, MO 65105-2200 or call (573) 526-8733.
- **Shared Care Tax Credit** — contact the Missouri Department of Health and Senior Services, Division of Senior and Disability Services, P.O. Box 570, Jefferson City, MO 65102-0570 or call 573-751-4842.
- **Shelter for Victims of Domestic Violence Credit** — contact the Missouri Department of Social Services, P.O. Box 216, Jefferson City, MO 65103-0216 or call (573) 751-7533.
- **Special Needs Adoption Credit** — contact the Missouri Department of Revenue, P.O. Box 2200, Jefferson City, MO 65105-2200 or call (573) 526-8733

\*Note: Contact the administering agency for eligibility requirements.

# PROPERTY TAX CREDIT CLAIM

The Property Tax Credit Claim is a refundable credit to the taxpayer if certain criteria are met.

## A. TAXPAYER 65 YEARS OF AGE OR OLDER\*

The taxpayer or spouse must be 65 years of age as of December 31, 2011. If the spouse was 65 or older and died during the year of 2011, the taxpayer would still qualify for the credit, even if he/she is not 65, for the tax year 2011.



## B. DISABLED VETERAN

A taxpayer may also qualify for the property tax credit if the taxpayer or spouse is a veteran of the armed forces of the United States or the state of Missouri and the taxpayer or spouse became 100 percent disabled as a result of this service. The income received from VA disability pay is not included in household income.

## C. DISABLED PERSON

The taxpayer may qualify for the property tax credit if the taxpayer or spouse is disabled as defined in Section 135.010(2).

**Disabled** (as defined in Section 135.010(2), RSMo): The inability to engage in any substantial gainful activity by reason of any medically determined physical or mental impairment, which can be expected to result in death or which has lasted or can be expected to last for a continuous period of not less than 12 months. A claimant shall not be required to be gainfully employed prior to such disability.

A copy of the taxpayer's Form SSA-1099, SSI benefits, or a letter from Social Security Administration providing the date of disability must be submitted.

**NOTE: Minor children do not qualify for this credit.**

## D. SURVIVING SPOUSE

If you are 60 years of age or older as of December 31, 2011, (born before 1951) and received surviving spouse social security benefits during 2011, you may qualify to claim the property tax credit. Form SSA-1099 must be submitted with filing.

## E. ADDITIONAL INFORMATION

1. **\*A taxpayer or spouse must have been a resident of Missouri for the entire year of 2011.** If the claimant would have been otherwise qualified for a property tax credit and would have been a resident for the entire 2011 calendar year, but died before the last day of the calendar year, the claimant would still qualify for the credit for 2011.

**\*Please note the full year residency only applies to claimants 65 years or older. Veterans, disabled individuals, or individuals over 60 years of age receiving surviving spouse benefits, can be part-year residents.**

## **PROPERTY TAX CREDIT CLAIM (continued)**

2. If the taxpayer owns and occupies their own home for the entire year of 2011 the maximum household income cannot exceed \$30,000 for single and \$34,000 for married filing joint. If the taxpayer is a renter or part year owner for tax year 2011, the maximum household income for single is \$27,500 and \$29,500 for married filing joint.
3. If the taxpayer owns the property, he/she must have a **PAID** copy of his/her real estate tax receipt or if the taxpayer rents (which includes nursing homes), he/she must have proof of the amount of rent paid. If the rent is paid to a relative, the relationship to the landlord must be indicated on the Form MO-CRP.
4. If the taxpayer is required to file an individual income tax return and still qualifies for the property tax credit, he/she should attach the Form MO-PTS to the Form MO-1040 or MO-1040P to expedite receiving his/her refund. If the taxpayer is required to file a Missouri individual income tax return and they do not have any modifications, miscellaneous tax credits or other special filing situations, they may file Form MO-1040P and should attach Form MO-PTS to claim their credits and satisfy their tax filing requirement.
5. The following is not included as income on the Form MO-PTC or Form MO-PTS:
  - Gifts/Inheritance;
  - Prior year refunds;
  - Foster grandparent salaries;
  - Life insurance benefits;
  - Food stamps;
  - Sale of personal residence if it is not included in AGI. The claimant must have been a resident in the home at the time of the sale;
  - VA disability pension (for 100 percent service related disabled veteran);
  - Stipend for senior companions;
  - Heating assistance; and
  - Stipend for caring for children with social services.
6. The property tax credit table has lines added to assist taxpayers in figuring their refund. The refund cannot exceed \$750 for renters or \$1,100 for owners.

### **F. RENT YOUR HOME**

If a taxpayer rents from a facility that is exempt from paying property taxes, the taxpayer is not eligible to file the property tax credit claim.

### **G. GRANTS**

Grants in the claimants name can be included as income on Form MO-PTC, Line 2 or Form MO-PTS, Line 3 and the claimants can take credit for rent paid. Grants in the nursing facility's name, distributed by the nursing facility, are not income to the claimant and cannot be claimed as rent paid.

### **H. LONG-TERM CARE INSURANCE BENEFITS**

Benefit payments made payable to the care facility are not included as income or rent. If the benefit payments are made payable to the claimant, the amount of the payment (not to exceed rent amount) is claimed as income and rent. If the benefit payments exceed the rent amount, the excess is considered taxable income, and should be included as income on Form MO-PTC, Line 2 or Form MO-PTS, Line 3.

## I. LUMP SUM DISTRIBUTIONS

Lump sum distributions from Social Security or other agencies must be claimed in the year they are received.

## J. DOCUMENTATION REQUIRED (This is for AARP/VITA site volunteers)

1. Copy of the property tax receipt (Paid) or MO-CRP (Certification of Rent Paid)
2. Copy of Form 948 (Assessor's Certification), when required.
3. Copy of letter from VA for 100 percent disabled veterans (DOR approved)
4. Form SSA-1099, SSI benefits and a letter from the Social Security Administration providing a date of disability.

**NOTE:** All documentation is required for first time filers of the property tax credit program.

Before the Forms MO-PTC, MO-1040P, or MO-1040 are sent, make sure that all the required documentation is attached, double check the address, ensure the social security number is correct, and make certain the return is signed. If the taxpayer is unable to sign his/her name, and another person signs as Power of Attorney (POA), a copy of the POA document must be attached.

Mail Form MO-PTC and supporting documentation to: Missouri Department of Revenue, P. O. Box 2800, Jefferson City, Missouri 65105-2800.

If filing Form MO-1040, MO-1040P and Form MO-PTS mail to: Missouri Department of Revenue, P.O. Box 2800, Jefferson City, MO 65105-2800.

If filing a Form MO-1040, MO-1040P, MO-PTS or Form MO-PTC that contains a 2-D barcode, please mail to: Missouri Department of Revenue, P.O. Box 3385, Jefferson City, MO 65105-3385.

**NOTE:** A taxpayer may sign with an "X" if two people witness his/her "mark".

**NOTE:** Property tax credit refunds may be applied to individual income tax debts and/or property tax credit billings caused by amended returns or corrections made by the Department.

# INFORMATION RETURNS

## FORM MO-99 MISC — ANNUAL REPORT OF PAYMENT OF RENT, ROYALTIES, ETC.

Form MO-99 MISC, comparable to Federal Form 1099 MISC, must be filed for nonresidents when such amounts aggregate of \$1,200 or more. Copy 1 is to be filed with the Department of Revenue, P.O. Box 999, Jefferson City, Missouri 65109-0999 with Form MO-96, Annual Summary and Transmittal of Information Returns. Copy 2 is to be provided to the recipient. Copy 3 is optional and is Payer's copy. The due date is February 28.(February 29 for Leap Years).

## FEDERAL FORM 1099 MISC — SUBSTITUTE FOR FORM MO-99 MISC

Form 1099 MISC can be used as long as the copies are clearly marked as follows:

Copy 1 – Missouri copy; and

Copy 2 – Information supplied to Missouri Department of Revenue. The due date is February 28 (February 29 for Leap Years).

## GENERAL INFORMATION

### FORMS

You can obtain tax forms and instructions quickly and easily by visiting the Department of Revenue's web site at [www.dor.mo.gov](http://www.dor.mo.gov).

### INTERNET

The Missouri Department of Revenue can also be accessed through the Internet at the following web site: [www.dor.mo.gov](http://www.dor.mo.gov).

### AMENDED RETURNS

If a taxpayer files an income tax return and later becomes aware of changes that must be made to income, deductions, or credits, he/she must file an amended Missouri return by completing Form MO-1040. A copy of the federal amended return, Form 1040X, must also be provided, if one was filed.

### FEDERAL TAX ADJUSTMENTS

Missouri law requires taxpayers with federal returns that are adjusted or audited to file an amended Missouri return within 90 days after the adjustments or audit has been completed or accepted.

### WHEN TO FILE

A calendar year return is due on or before April 17th. Returns for fiscal years are due on the 15th day of the fourth month after the close of the taxable year. When the due date falls on a Saturday, Sunday, or legal holiday, the return will be considered timely if filed on the next business day.

### WHERE TO FILE AND PAY TAX

Mail returns and check or money order to the Missouri Department of Revenue, P.O. Box 329, Jefferson City, Missouri 65107-0329 (*2-D barcode returns only*: P.O. Box 3370). For refund claims, mail to Department of Revenue, P.O. Box 500, Jefferson City, Missouri 65106-0500 (*2-D barcode returns only*: P.O. Box 3222).

### EXTENSION TO FILE

Missouri grants an automatic extension of time to file to any individual, corporation, partnership, fiduciary, or estate who has a Federal extension. You do not need to file Form MO-60 (Application for Extension of Time to File) unless:

1. **You expect to owe a tax liability for the period.** Form MO-60 and payment are due on or before the due date of the return.
2. **You want a Missouri extension but not a Federal extension.** Form MO-60 is due on or before the due date of the return. A copy of Form MO-60 must be attached to the Missouri returns when filed. An approved Form MO-60 extends the due date up to 180 days for the individual, fiduciary, partnership income tax returns, and the corporation return.



**3. You seek a Missouri extension exceeding the Federal automatic extension period.** Form MO-60 must be filed on or before the end of the federal extension period.

You must complete a separate Form MO-60 for each return or report.

**1099-G FORM**

The form 1099-G provides the refunds, credits or offsets of state income tax a taxpayer received in the previous year. This amount may be taxable on their Federal Income Tax Return, the amount is deducted as an itemized deduction. For more information and answers to frequently asked questions go to **www.dor.mo.gov/faq/personal/**. To obtain a copy of Form 1099-G a taxpayer will need to know the primary social security number, filing status and the zip code in which the taxpayer received the refund, credit or offset.

- Access **www.dor.mo.gov/1099g**
- Call the Missouri Department of Revenue’s automated interactive voice response line at (573) 526-8299

**METHODS OF PAYMENTS**

Payments must be postmarked by April 17, 2012, to avoid interest and late payment charges. When the due date falls on a Saturday, Sunday, or legal holiday, the return will be considered timely if filed on the next business day. The Department offers several payment options.

**Check or money order:** Attach a check or money order (U.S. funds only), payable to Missouri Director of Revenue. Checks will be cashed upon receipt.

**Do not postdate.** The Department may collect checks returned for insufficient or uncollected funds electronically.

**Electronic Bank Draft (E-Check):** By entering your bank routing number, checking account number, and your next check number, you can pay online at the following address: **www.dor.mo.gov**, or by calling (888) 929-0513. There will be a minimal handling fee per filing period/transaction to use this service.

**Credit Card:** The Department accepts MasterCard, Discover, Visa, and American Express. You can pay online at **www.dor.mo.gov**, or by calling (888) 929-0513. The convenience fees listed below will be charged to your account for processing credit card payments:\*

<b>Amount of Tax Paid</b>	<b>Convenience Fee</b>
\$0.00–\$33.00	\$1.00
\$33.01–\$100.00	3.00%
\$100.01–\$250.00	2.95%
\$250.01–\$500.00	2.85%
\$500.01–\$750.00	2.85%
\$750.01–\$1,000.00	2.80%
\$1,000.01–\$1,500.00	2.75%
\$1,500.01–\$2,000.00	2.70%
\$2,000.01 or more	2.60%



**Note:** The handling and/or convenience fees included in these transactions are being paid to the third party vendor, **not** to the Missouri Department of Revenue. By accessing this payment system, the user will be leaving Missouri's web site and connecting to the web site of the third party vendor which is a secure and confidential web site.

Mail your return and all required attachments to: **Department of Revenue, P.O. Box 329, Jefferson City, MO 65107-0329.**

### **INTEREST AND PENALTY**

Interest is due on tax not paid on time. For calendar year 2011, interest is computed at 3 percent per annum from the date due until the date paid. Additions to tax for failure to pay on time is assessed at 5 percent of the tax due. For failure to file on time, additions to tax of 5 percent per month, not to exceed 25 percent, is assessed.

### **KEEP YOUR RECORDS**

Taxpayers should keep copies of tax returns and Form W-2 statements for four years.

## **COMMON MISTAKES ON MISSOURI INDIVIDUAL INCOME TAX RETURNS**

1. The tax return is not signed.
2. Necessary documentation is not attached. Examples: Forms W-2, 1099-R, Federal Return (Pages 1 and 2), Federal Schedule A, Form MO-A, Form MO-CR, and other states' returns.
3. The amount of Missouri tax withheld claimed is not correct. City earnings tax and withholding from other states are erroneously claimed.
4. Calculation errors are made on the returns.
5. The amount of Federal tax withheld is claimed as a deduction instead of actual Federal tax liability.
6. Federal Earned Income Credit is incorrectly claimed as a Federal tax deduction on Missouri returns.
7. The wrong filing status box is checked.
8. Total number of dependents claimed is incorrect. The filer incorrectly claimed self or spouse as dependent. The number of dependents is not indicated in the box provided on the tax return.
9. Missouri tax on taxable incomes over \$9,000 is incorrectly calculated.
10. Estimated tax payments are not claimed on the return.
11. The husband and wife incomes do not equal total Missouri adjusted gross income. Income percentages are incorrectly calculated.
12. The amount of standard deduction claimed does not correspond to filing status. Many Federal Form 1040EZ filers incorrectly include their Federal personal exemption in the Missouri Standard Deduction on Form MO-1040A.

# FINAL CHECKLIST IN COMPLETING MISSOURI INCOME TAX RETURNS

- Peel the label off the cover of the tax book and place it on the return, only if all information is correct.
- In the space provided, enter your and your spouse's social security number(s), the name of the county in which the taxpayer resides and check the appropriate box if deceased is applicable.
- Check and verify all calculations on the return. An error may delay a refund, result in a billing, or necessitate correspondence.
- Attach state copies (from all states if you are a part-year resident) of Forms W-2 and Forms 1099-R from all employers and administrators who withheld Missouri tax. Verify that the amount entered on Form MO-1040, Line 31 equals the total shown on Forms W-2 and Forms 1099-R.
- If submitting a Property Tax Credit Claim, send a completed Form MO-PTC or Form MO-1040 or Form MO-1040P and attach Form MO-PTS, with copies of tax receipts and Forms MO-CRP.
- Make certain the return is signed (both spouses must sign a combined return).
- If the taxpayer itemized deductions on his/her Federal return, he/she must attach a copy of Pages 1 and 2 of his/her Federal Form 1040 and Federal Schedule A. Also attach a copy of his/her Federal return (Pages 1 and 2) if Form MO-1040, Line 6 includes loss(es) of \$1,000 or more, he/she claimed a pension exemption, a low income housing credit, a low income housing credit recapture, a dependent deduction is claimed for a dependent age 65 or older, other federal taxes, are claimed or a Form MO-NRI is filed.
- Attach a check or money order if the balance due on Form MO-1040, Line 48 is \$1 or more. The taxpayer must sign his/her check and write his/her social security number on the check.
- Instruct the taxpayer where to mail the return and attachments.



# 2011 Missouri Income Taxes



***File Electronically!!***  
E-file your **state** and **federal** return!  
It's **inexpensive, accurate, and fast!**

Visit our web site for more information and links to file.  
**[www.dor.mo.gov](http://www.dor.mo.gov)**

Not filing electronically?  
Visit our ***“Form Selector”*** online to  
determine the easiest form for you.  
Then use our ***Fill-in Forms that  
Calculate!***



**You don't need a paper return if you:**

- Received a book;
- E-file;
- Visit us online;
- Use software; or
- Take your taxes to a preparer.



**REMINDER:**  
Choose the ***easiest*** form!  
Only **3%** of tax filers **need** the  
Form MO-1040 (Long Form).